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Broncus Holding Corporation
堃博医疗控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2216)

GRANT OF AWARDS PURSUANT TO THE RSU SCHEME

This announcement is made by the Company pursuant to Rules 17.06A, 17.06B and 17.06C of the Listing Rules. The Company announces that on May 30, 2023, the Company granted 2,255,999 Awards, representing the same number of underlying Shares, to 14 Grantees in accordance with the terms of the RSU Scheme, subject to acceptance.

Details of Grant of Awards

Grant Date:	May 30, 2023
Number of Awards granted:	A total of 2,255,999 Awards were granted, representing the same number of underlying Shares, to 14 Grantees. All of the Grantees are employees of the Group.
Purchase Price of the Awards Granted:	<ul style="list-style-type: none">• For 2,015,999 Awards, HK\$0.00; and• For 240,000 Awards, half of the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding each vesting date, each vesting date having been disclosed at point (1) of “Vesting period of the Awards” below.
Closing price of the Shares on the Grant Date:	HK\$1.42 per Share
Vesting period of the Awards:	<ol style="list-style-type: none">(1) 480,000 Awards granted to one employee shall vest as follow:<ul style="list-style-type: none">• 25% shall vest on each anniversary of the Grant Date for four (4) years after the Grant Date.(2) 1,775,999 Awards granted to 13 employees shall fully vest on the Grant Date.

Vesting period of 1,775,999 Awards above is less than 12 months as such Awards are to reward certain employees' long-term (more than one year) contribution to the Group or outstanding performance in the preceding year. Under the RSU Scheme, which was adopted before the effective date of the new Chapter 17 of the Listing Rules, there are no restrictions prohibiting a vesting period of less than 12 months.

Performance Targets:

No performance target is attached to the Awards.

Clawback Mechanisms:

The RSU Scheme provides for lapsing of the Awards if any Grantee ceases to be an eligible person of the Group by reason of, including but not limited to, the summary termination of his employment or office on any one or more of the grounds that he has been guilty of misconduct, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board in its absolute discretion) on any other ground on which the relevant company in the Group would be entitled to terminate his employment or office summarily at common law or pursuant to any applicable laws or under the Grantee's service contract with relevant company in the Group. Besides, if any of the following events (each a "**Triggering Event**" and collectively the "**Triggering Events**") occurs after any of the RSUs granted in the Award is vested, (a) the Grantee's employment with the Group is terminated for any reason, or (b) the Grantee has committed any type of misconduct set out in the RSU Scheme, where the Grantee has previously obtained the Shares underlying the vested RSUs, the Board has the right to request the Grantee, and the Grantee agrees, to sell all such Shares within 90 days from the date of the Triggering Event.

No financial assistance:

The Group has not provided any financial assistance to the Grantees to facilitate the purchase of Shares under the RSU Scheme.

Reasons for the Grant of Awards

The grant of Awards is to reward the Grantees' past performance and contributions to the Group, align the interests of the Grantees with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or increase in value of Shares, and to encourage and retain the Grantees to make contributions to the long-term growth and profits of the Group.

Listing Rules Implications

The Listing Committee of the Stock Exchange has previously granted its approval for the listing of, and permission to deal in, Shares to be issued pursuant to the vesting schedule of any RSUs granted under the RSU Scheme. On September 7, 2021, the Company allotted the maximum of Shares subject to the RSUs to the Trustee under the RSU Scheme. All Awards granted mentioned-above will be funded by existing Shares held by the Trustee, and no new Shares will be further allotted or issued for the vesting of these Awards. Accordingly, the grant to the Grantees as disclosed in this announcement will not result in any dilution effect on the shareholdings of existing Shareholders. And as at the date of this announcement, after the grant of such Awards, 16,067,158 underlying Shares are available for future grant under the scheme mandate limit of the RSU Scheme as approved before the listing date of the Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, none of the Grantees is (i) a Director, nor a chief executive, or a substantial shareholder of the Company, or an associate of any of them; or (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Listing Rules; or (iii) a related entity participant or service provider with RSUs and awards granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares. None of the grant will be subject to approval by the Shareholders.

The Company will comply with the new Chapter 17 in accordance with the transitional arrangements for the RSU Scheme.

Definition

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Awards”	An award granted by the Board to a selected participant pursuant to the RSU Scheme;
“associate(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	Broncus Holding Corporation (肇博医疗控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on April 30, 2012, whose Shares were listed and traded on the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Grant Date”	May 30, 2023;
“Grantee(s)”	each or all of 14 employees of the Group, who were granted Awards in accordance with the RSU Scheme on the Grant Date;
“Group”	the Company and its subsidiaries;

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“RSU Scheme”	the restricted share unit scheme of the Company as adopted on May 6, 2021 and amended and restated on July 5, 2021;
“Shareholder(s)”	holder(s) of Shares;
“Share(s)”	ordinary share(s) in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning ascribed to it by the Listing Rules; and
“Trustee”	Computershare Hong Kong Trustees Limited, the trustee appointed by the Company to hold Shares on trust for grantees under the RSU Scheme.

By order of the Board
Broncus Holding Corporation
ZHAO Michael Yi Wei
Chairman

Hong Kong, May 30, 2023

As at the date of this announcement, the Board comprises Mr. ZHAN Guowei and Mr. XU Hong as executive Directors, Mr. ZHAO Michael Yi Wei as Chairman and non-executive Director, Mr. ZI Zhenjun and Mr. ZHANG Ao as non-executive Directors, and Dr. KAM Pok Man, Professor LAU Joseph Wan Yee and Ms. WONG Yee Sin as independent non-executive Directors.